

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO.
PARKSVILLE WATER DISTRICT) 2015-00153

ORDER

On May 14, 2015, Parksville Water District ("Parksville") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Parksville purchases water from the city of Danville ("Danville").
2. Danville notified Parksville that effective May 1, 2015, Danville would increase its wholesale rate subject to refund² to Parksville from a declining block rate schedule to a flat rate of \$2.68 per 1,000 gallons. Parksville proposed to increase the water rates to its customers effective May 11, 2015.
3. Should the Commission approve a rate lower than currently proposed and implemented subject to refund by Danville, Parksville should file a revised purchased water adjustment within 30 days of the Commission's Order in Case No. 2014-00392.³

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2014-00392, *Proposed Adjustment of the Wholesale Water Service Rates of City of Danville* (Ky. PSC May 5, 2015).

³ *Id.*

4. Parksville proposed a purchased water adjustment factor of \$1.84 per 1,000 gallons.

5. During the 12 months ended March 31, 2015, Parksville purchased 118,847,925 gallons of water from Danville and sold 72,748,010 gallons of water. The increase in the cost of purchased water is \$133,544.78, resulting in a purchased water adjustment factor of \$1.84 per 1,000 gallons.

6. The purchased water adjustment factor of \$1.84 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. Parksville's proposed rates, as set forth in Appendix B to this Order, are fair, just and reasonable and should be approved subject to refund for water service rendered on and after May 11, 2015.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$1.84 per 1,000 gallons is approved subject to refund.

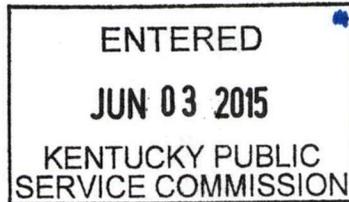
2. Parksville's proposed rates, as set forth in Appendix B to this Order, are approved subject to refund for water service rendered on and after May 11, 2015.

3. Within 20 days of the date of this Order, Parksville shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein subject to refund.

4. Parksville shall file a revised purchased water adjustment within 30 days of the Commission's Order in Case No. 2014-00392 approving a rate increase for

Danville if the approved rate differs from the rates implemented subject to refund by Danville.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00153 DATED **JUN 03 2015**

	New Rate	Base Rate
Parksville		
Purchases in gallons		
Danville	118,847,925	118,847,925
Volumetric rate	<u>\$ 2.68/1,000</u>	<u>See Below</u>
Total	\$ 318,512.44	

Danville Current Rate Schedule:

		Cubic Feet	Rate per 100 Cubic Feet	Revenue
First	20,000	240,000	\$1.68	\$ 4,032.00
Next	80,000	960,000	1.35	12,960.00
Next	100,000	1,200,000	1.05	12,600.00
Next	300,000	3,600,000	0.96	34,560.00
Over	500,000	9,888,760	0.91	89,987.72
Total		15,888,760		\$154,139.72

\$0.20 surcharge calculated on monthly dollar amount 30,827.94

Total current Danville rates \$184,967.66

Increased water cost \$133,544.78

Increased water cost \$133,544.78
 Divided by gallons sold/1,000 72,748,010
 Purchased water adjustment factor \$1.8357 per 1,000 gallons
 or \$1.84 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00153 DATED **JUN 03 2015**

The following rates and charges are prescribed for the customers in the area served by Parksville Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	1,000 gallons	\$ 29.75 Minimum Bill
Next	4,000 gallons	6.30 per 1,000 gallons
Next	5,000 gallons	6.58 per 1,000 gallons
Over	10,000 gallons	7.84 per 1,000 gallons

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